

10 Percent of Global Travel Spend Influenced by TripAdvisor Oxford Economics Report Reveals TripAdvisor's Impact on Travel Spending; TripAdvisor's \$85.7 Billion Influence Equivalent to Two-Thirds of All U.S. Auto Exports in 2014

NEEDHAM, Mass., April 7, 2016 – A global statistical analysis of international and domestic travel has found that TripAdvisor's breadth of content, trusted consumer reviews, and booking features not only influence travel decisions but also generate incremental travel. The Global Economic Contribution of TripAdvisor* report, conducted by Oxford Economics on behalf of TripAdvisor, reveals that globally TripAdvisor generated 22 million tourism trips and 352 million tourism nights over the course of a year, as well \$64 billion in incremental travel expenditures, none of which would have occurred if it were not for TripAdvisor content.

In the U.S. alone, TripAdvisor influenced \$85.7 billion in travel spending in 2014—an amount equal to two-thirds of all U.S. automotive exports that year—and is directly responsible for generating \$20.5 billion in travel spending.

Key U.S. Findings

TripAdvisor influences both domestic and international travel planning

- In the U.S., TripAdvisor content influenced¹ 17% of inbound trips and almost 6% of all domestic travel in 2014.

Increased number and length of trips

- In the U.S., TripAdvisor generated² an additional 8.4 million trips in 2014 – trips that would not otherwise have taken place.
- TripAdvisor generated an additional 64.2 million tourism nights in the U.S. in 2014, demonstrating that TripAdvisor content not only increases the number of trips taken, but also leads to travelers taking longer trips and extending their stays in destinations.

More money spent on travel

- \$20.5 billion worth of U.S. travel spend in 2014 was generated by TripAdvisor.
- TripAdvisor's contribution to U.S. and global travel spend is due to increased number of trips and increased length of stays.

Sustained travel industry employment

- Over 272,000 U.S. travel industry jobs (and 1.9 million globally) were sustained as a result of travel spending generated by TripAdvisor in 2014.

Improved standards across the hospitality industry

- Increased travel leads to increased content shared on TripAdvisor. That content helps other travelers planning trips and also provides businesses with valuable feedback to improve service and in turn attract more customers.
- Businesses that provide thoughtful Management Responses to the reviews and feedback they receive also perform better on the site.
- Oxford Economics has linked this virtuous cycle of TripAdvisor content to improved standards in the hospitality industry.

According to the Oxford Economics report, TripAdvisor content gives travelers the confidence to choose a property based on reviews, ratings and photos from other travelers, rather than more traditional decision-making factors such as brand recognition or previous experience. This trend particularly benefits non-branded businesses, enabling small and independent businesses to compete on more of an equal footing with larger, more internationally recognizable brands.

The study also established a link between TripAdvisor content and destination choices by analyzing TripAdvisor data, travel trends and economic activity. The findings illustrate that there is an increase in the number of trips taken to a particular destination as the content – such as photos, reviews, listings and information – for that destination increases on TripAdvisor.

"Extensive modeling spanning more than 100 countries has shown the effects of TripAdvisor content to be significant both in terms of economic influence and in generating new travel activity," said Adam Sacks, president of Tourism Economics (Oxford Economics). "By providing extensive, trusted reviews, TripAdvisor content emboldens travel decisions, improves travel experiences, and even improves the quality of the travel product over time. This all generates a virtuous impact of incremental travel activity."

"Since its launch in 2000, TripAdvisor has contributed significantly to the growth of the global travel and tourism marketplace," said Barbara Messing, chief marketing officer, TripAdvisor. "User-generated content has transformed the way people travel and this study provides compelling insights into just how TripAdvisor has impacted the global tourism industry. Traveler reviews, ratings and photos help to put smaller, lesser-known destinations in front of a huge international audience and give travelers the confidence to visit new places, book hotels they might not otherwise have known about and even extend their trip in order to explore more of their destination. "

For more information and to download the complete report, *The Global Economic Contribution of TripAdvisor*, please visit www.tripadvisor.com/tripadvisorinsights

Notes to editors:

*Methodology: Study commissioned by TripAdvisor and undertaken by Oxford Economics, quantifying the economic impacts of TripAdvisor globally. A panel dataset covering more than 100 countries for the years 2009 – 2014 was compiled to test the relationship between TripAdvisor metrics and travel behavior. Extensive econometric testing proved that TripAdvisor content is a causal factor in travel activity, in addition to being positively correlated. Research conducted in 2015.

¹**Influenced:** defined as any travel in which TripAdvisor played any role. This includes generated impact as well as any travel that would have otherwise occurred but used TripAdvisor reviews and scores to inform behavior.

²**Generated:** defined as incremental trips, nights, and spending that would not have happened without the content and functionality of TripAdvisor.

About TripAdvisor

TripAdvisor® is the world's largest travel site*, enabling travelers to plan and book the perfect trip. TripAdvisor offers advice from millions of travelers and a wide variety of travel choices and planning features with seamless links to booking tools that check hundreds of websites to find the best hotel prices. TripAdvisor branded sites make up the largest travel community in the world, reaching 350 million

unique monthly visitors**, and 320 million reviews and opinions covering 6.2 million accommodations, restaurants and attractions. The sites operate in 48 markets worldwide.

TripAdvisor, Inc. (NASDAQ:TRIP) manages and operates websites under 23 other travel media brands:

www.airfarewatchdog.com, www.bookingbuddy.com, www.cruisecritic.com, www.everytrail.com, www.familyvacationcritic.com, www.flipkey.com, www.thefork.com (including v

*Source: comScore Media Metrix for TripAdvisor Sites, worldwide, November 2015

**Source: TripAdvisor log files, Q3 2015

<https://tripadvisor.mediaroom.com/2016-04-07-10-Percent-of-Global-Travel-Spend-Influenced-by-TripAdvisor>